

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Call to Order: By **CHAIRMAN DONALD L. HEDGES**, on January 30, 2003
at 8:07 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Donald L. Hedges, Chairman (R)
Sen. Royal Johnson, Vice Chairman (R)
Sen. John Esp (R)
Rep. Eve Franklin (D)
Sen. Bea McCarthy (D)

Members Excused: Rep. Dave Lewis (R)

Members Absent: Rep. Rosalie (Rosie) Buzzas (D) arrived at 8:12

Staff Present: Mark Bruno, OBPP
Pam Joehler, Legislative Branch
Diana Williams, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed. Tape counter notations refer to the material immediately preceding.

Committee Business Summary:

Hearing & Date Posted: Montana Community Colleges,

Executive Action: None

Hearing on Montana Community Colleges

Pam Joeehler, Legislative Fiscal Division, explained Exhibit 1, and stated that there are no options included as to how reductions might be managed by the Community Colleges.

EXHIBIT(jeh20a01)

Mark Bruno, OBPP, stated that when the Executive Budget was built for this biennium there were no reversion targets included for the Community Colleges or any other campuses for the University System.

{Tape: 1; Side: A; Approx. Time Counter: 1.2 - 4.2}

Overview of FVCC, MCC and DCC:

[With the Community Colleges' presentation, the questions from Committee Members and Responses are interspersed throughout the overview.]

Dr. Jane Karas, President, Flathead Valley Community College (FVCC), stated that quality, affordability and accessability are three benefits of the Community College system in Montana. Individuals who receive an Associate of Arts or Associate of Science transfer degrees can transfer as first semester juniors to any of the four-year public universities within the State. They can also transfer to other schools both in state and out-of-state. The Associate of Applied Science degree is also offered, and a number of certificates for students who are going right into the workforce rather than onto getting a four-year degree.

FVCC has a low student-to-faculty ratio which benefits students coming from smaller communities. Results show that students who began at a two-year community college and then transfer to a four-year school are often more successful than the students who start at a four-year school.

FVCC offers excellent support services to students, including Upward Bound for at-risk youth. FVCC has a dual-enrollment program with local high schools for juniors and seniors to take college classes and receive college credit.

Ninety-six percent of FVCC students are Montana residents, and come from all 56 counties within the State. Developmental and remedial classes, as well as GED, are offered for students who've been out of school for awhile. Tuition is significantly less at Community Colleges than at four-year schools.

Classes are also offered for elementary school students and senior citizen programs for both credit and noncredit, continuing education units and professional development for professionals in the community who need to continue to keep their skills up-to-date. The Elder Hostel Program brings people from out-of-state to enjoy Montana and support the economy. Workforce training is another activity that FVCC is involved in providing customized training to small and large employers. FVCC is very responsive to the needs of the community and has added a number of programs in partnership with the University System schools as well as with the business community.

FVCC is also involved in economic development, educating Montanans for jobs in Montana. About 92% of FVCC's students stay and work in Montana. FVCC is involved in a number of partnerships with other community colleges whose mission is to work for and help build their communities.

{Tape: 1; Side: A; Approx. Time Counter: 4.8 - 11.1}

Dr. Darryl Hammond, President, Miles Community College (MCC), stated that one of the key ingredients to the success of community colleges is partnerships. He presented the Subcommittee with Exhibit 2 which gives an overview of various partnerships.

Many of the people involved in partnerships with MCC serve on their advisory committees. The advisory committee lets MCC know if there is anything that needs to change in the curriculum or if technology needs to be enhanced.

EXHIBIT (jeh20a02)

{Tape: 1; Side: A; Approx. Time Counter: 11.3 - 27}

Dr. Terry Hetrick, President, Dawson Community College (DCC), stated that community colleges were created by local communities who saw the value in having the first two years of a college education available locally to young people in their community. A tax was approved that would help fund the college. Community colleges continue to be sensitive to the community's educational needs.

Community colleges now have three funding sources: local mill levies, state appropriation, and student tuition and other sources such as grants.

The community college's commitment to economic development is closely tied to their moral responsibility to be sensitive to the needs of their immediate communities because those communities pay a large portion of the bill to keep their doors open. Funding and responsiveness to communities is also a regional responsibility due to the locale of the community colleges in Montana.

President Hetrick stated that none of the six mill levy funds assessed on all residents of the state of Montana go to the community colleges. He also stated that, "Montana's three community colleges receive 4.2% of the state's higher education budget, yet enroll 7.5% of it's students."

{Tape: 1; Side: A; Approx. Time Counter: 27.1 - 30.2}

{Tape: 1; Side: B; Approx. Time Counter: 2.4 - 11.3}

President Karas stated that the return on money invested in the community colleges comes back many times over. A study conducted by Flathead County on the economic return, conservatively estimates, approximately \$15 million is returned back into the local economy each year.

President Karas stated that the community colleges want to work with the legislature to help find solutions to the State's problems and are willing to be part of the solution.

{Tape: 1; Side: B; Approx. Time Counter: 11.4 - 14}

SEN. JOHNSON asked if the community colleges are happy with the budget the Governor has proposed, and if not, what they could contribute to solving the problem.

President Hammond stated that the Governor's budget represents cutting three to four FTE which is a large part of MCC. The cuts would have a huge ripple effect through the entire institution, which would then affect accreditation standards. He stated that MCC tightened their belt a great deal this past summer after the Special Session. They have shrunk services down to where they are at the "basic service" level at MCC. Further cuts would mean eliminating programs from the institution, however they will continue to try to cut back without losing basic services.

President Hammond also stated that MCC cannot go to the local taxpayers except perhaps for a one-time-only tax because they are taxed out. MCC continues to search for grants but they are only for one or two years.

{Tape: 1; Side: B; Approx. Time Counter: 14.4 - 21.7}

SEN. McCARTHY asked for enrollment and graduation figures by degree program. **President Karas** said that she didn't have those figures with her but would get them to the Subcommittee by the following morning.

SEN. JOHNSON asked that the other Community College Presidents respond to his earlier question.

{Tape: 1; Side: B; Approx. Time Counter: 22. - 23.8}

President Hetrick stated that his response would be similar to what President Hammond said. DCC is the smallest of the community colleges, and if the budget reduction continues it is likely that DCC will have to cut a program or two as there are no other alternatives.

President Karas said that the Governor's budget requires changes that would impact eliminating several programs thus impacting students and economic development in the Kalispell area and beyond. One option would be to increase tuition which FVCC has looked at in several different scenarios.

{Tape: 1; Side: B; Approx. Time Counter: 24 - 29.7}

REP. BUZZAS asked if the GED and ABE courses are funded through adult education money that goes into local school districts and is then funneled through to the community colleges.

President Hammond stated that, within most institutions in Montana, the ABE money is 80% federal grants and 20% state which is funneled through OPI. There are also a variety of other grants which help support ABE, and a fee is charged to students to take the GED test. **President Karas** stated that because they are a community college and have outreach, they are able to offer the GED programs in a number of different communities in their region. At FVCC they offer GED ABE on campus as well as at sites in several other areas so that people who need those skills don't have to travel just to Kalispell.

{Tape: 1; Side: B; Approx. Time Counter: 29.8 - 30.1}

{Tape: 2; Side: A; Approx. Time Counter: 0.3 - 3.8}

SEN. McCARTHY asked for someone to explain Dr. Seuss University.

President Karas stated that it is a program at FVCC for Grades 1-6 elementary students to start to familiarize them with higher education and get them comfortable in the different environment. The students come to the campus for the day and take a number of different classes in science, math and english where the focus is on Dr. Seuss. Some people are in costume and some classes are in rhyme. All regular faculty teach the classes.

{Tape: 2; Side: A; Approx. Time Counter: 3.9 - 4.8}

REP. FRANKLIN asked DCC and MCC to talk about faculty recruitment in their part of the State.

President Hetrick stated that it is not difficult to recruit largely because of the programming. The nature of the programming is generic in that the college doesn't have a specific program that is so unique that they can't reach out and attract individuals to Glendive. Many of the current faculty are Glendive natives.

President Hammond stated that it depends on the program. Nursing is one of their challenges; when the college needed a distance education coordinator they wanted someone who had distance learning experience and a nursing background and had a difficult time recruiting someone. They began their search in September 2002 and finally hired someone in mid-January 2003. Often times the salary is not high enough to entice someone to come to Eastern Montana.

President Karas stated that FVCC also has some issues with recruitment, especially recruiting adjunct faculty.

{Tape: 2; Side: A; Approx. Time Counter: 4.9 - 10}

SEN. MCCARTHY asked how much turnover each community college experiences.

President Hammond stated that he has been at MCC for a year and a half and they've only had to do two searches for full time faculty. There are three or four faculty who've been at MCC over thirty years.

President Karas stated that FVCC has 40 full time faculty, and in the three and a half years that she has been at the college they've had five faculty who left, two positions which were not filled yet. FVCC also has a number of faculty who have been at the college 25-30 years.

President Hetrick stated that DCC may have one faculty member leave per year. They also have a few faculty members approaching retirement within the next year or two.

REP. FRANKLIN asked what the cost is for a regional search.

President Karas said that a regional search might cost approximately \$3,000-\$5,000 per candidate.

{Tape: 2; Side: A; Approx. Time Counter: 10.1 - 14.2}

CHAIRMAN HEDGES asked what the current vacancy rate is at the various schools, and if students were shifted from the larger universities to the community colleges, would it overload capacity.

President Hammond stated that some programs are currently at full capacity and could not take more students. In the nursing program there are students on a waiting list to get in.

President Karas stated that FVCC has struggled for the last several years, with class size due to the capacity level of the facility. Enrollment continues to climb and they also have waiting lists for some classes. FVCC is adding new structures which will allow larger classes.

President Hetrick stated that DCC is at approximately 67% capacity and could accommodate additional students. They are also adding new structures to their campus.

CHAIRMAN HEDGES asked what the cost is per credit hour for a basic math class.

President Karas stated that fees vary. For a full-time in-district student who contributes to the local tax levy the tuition and fees for 2003 is \$1,921. Out-of-district students pay a little over \$2,000.

CHAIRMAN HEDGES suggested that the Appropriations Committee redirect funding from the University System to the community colleges. He stated that it wouldn't hurt the students because they could still get a basic education for less money.

President Karas stated that it probably wouldn't be as simple as was suggested by CHAIRMAN HEDGES. She stated that community colleges wouldn't ask the Legislature to move money from the University System to them. Many community college students go on to the four-year programs where funding needs to be available. Faculty members and support services are needed by the students once they move onto the University System.

President Hetrick stated that one of the other critical points to consider is that students pick their institutions for their own reasons. Colleges may have additional problems if students are forced to go somewhere other than where they choose.

President Hammond agreed with his colleagues, and suggested marketing the community colleges as viable institutions of learning in Montana.

{Tape: 2; Side: A; Approx. Time Counter: 14.3 - 30.1}

CHAIRMAN HEDGES asked if the Presidents are saying that diverting money from the University System to the community colleges is not a good idea.

President Karas stated that all community colleges could take more students up to a point, but if all of the freshmen and sophomore students were moved from the four-year units to the colleges of technology and community colleges she feels that all of them together would not have the capacity to serve all of those students. Seamless partnerships exist now without having to transfer dollars from the University System to community colleges.

CHAIRMAN HEDGES stated that he didn't intend for his idea to begin immediately; he felt that a system that grows over the next twenty years could help ensure continually solid community colleges.

President Hammond stated that MCC is an exceptional institution who has students who transfer all over the place when they leave.

{Tape: 2; Side: B; Approx. Time Counter: 2.5 - 9.2}

Laurie Neils, Director of Budget and Accounting, Office of the Commissioner of Higher Education (OCHE) stated that during the hearing on Tuesday (1/28), several of the students in attendance left several pieces of information that she would like entered into the record. The Pre-Vet Club at MSU left a petition in support of the Governor's budget with present law base adjustment; the WWAMI students left a packet of information that they would like entered into the official record; and the students asked that the Visitors Register that was signed, reflect that they are not in support of rolling back to the 2000 levels but are in support of the present law Governor's Budget.

EXHIBIT (jeh20a03)

EXHIBIT (jeh20a04)

EXHIBIT (jeh20a05)

{Tape: 2; Side: B; Approx. Time Counter: 9.7 - 11}

Proponents' Testimony:

Julie LaPlant, Sophomore Nursing Student, Miles Community College, stated that when she first got out of high school she had to face the dilemma of whether to go to a community college or to a four-year college. She chose a community college where she received an Associate of Arts which transferred to MSU so that she could earn a Bachelor's Degree. Six years later she entered the nursing program at MCC whom worked quickly and diligently to help her get enrolled in the program. She commutes 80 miles one-way to go to nursing school which she believes is much better than uprooting her family and moving them to a city that offers a four-year program. She praised MCC for the quality, accessibility and affordability of the program. **Ms. LaPlant** presented testimony to the Subcommittee from Karen Lorash Rogge.

EXHIBIT (jeh20a06)

Kelly Frandsen-Magness, Graduate of FVCC, stated that the three things she wanted to talk about were family, finances and flexibility. She stated that FVCC met each one of those needs. She appealed to the Subcommittee to maintain funding in order to keep FVCC's level of excellence.

Patrick Kramer, student at Dawson Community College, attended MSU-Billings for one year and felt like he was a "number" there instead of a person. He transferred to DCC and mentioned several benefits he experienced by transferring to a smaller college.

Carl Schweitzer, Kalispell Chamber of Commerce, rose in support of FVCC as well as the other community colleges.

Rudy Stulz, Graduate of DCC, spoke in support of DCC and its supportive environment.

Bob Nystuen, Member Board of Trustees, Flathead Valley Community College, stated that the improved economy of western Montana has allowed an increase in the enrollment to FVCC. Cutting funding to community colleges results in forced enrollment limitations, imposes admission standards, causes layoffs of faculty and staff, limits course offerings, limits workforce training, and ultimately limits opportunities for the citizenry and the state. It will cause a downward spiral of the state's economy. Tuition increases deprive opportunity.

Community colleges offer an affordable, quality, after-regular-business-hours education. Community colleges stand for workforce training, training for real jobs, which benefit both large and small employers. It's an affordable education. Community colleges are a safety net for communities; when things get tough, people learn a skill. Community colleges are a simple formula for economic success in the future.

Tom Clarke, Vice Chairman, Board of Trustees, MCC in Miles City, stated that, because the community colleges are not part of the University System, they are governed by a local board of trustees. This connects very well to the community because the board members of MCC are all tied to the business community of Miles City which allows them to set policy to the betterment of the State and the county. The State share of the cost of tuition at community colleges is much less than any of the other post-secondary educational facilities in Montana.

Tom Harding, Trustee, FVCC, stated that he has been coming before the Legislature for about twelve years. He acknowledged the difficult task before this Subcommittee this year, but he wanted to underline the fact that the community colleges in Montana operate under a tight budget and any cuts will adversely affect their excellent programs.

{Tape: 2; Side: B; Approx. Time Counter: 11.3 - 30.2}

{Tape: 3; Side: A; Approx. Time Counter: 0.3 - 23.5}

Questions from Committee Members and Responses with Proponents' Testimony:

CHAIRMAN HEDGES asked Mr. Stulz if community ranchers generally support the community college in the tax levy. **Mr. Stulz** stated that, in his community, there has not been a school levy that's ever failed.

SEN. ESP asked for an explanation of "FTE."

President Karas stated that it means "Full Time Equivalent" student.

SEN. ESP asked approximately how many hours per day an FTE would attend class.

President Hetrick stated it would be approximately three hours of instruction per day.

Ms. LaPlant stated that on Monday she spends about four hours in class, Tuesday and Thursday she spends about eight hours, Wednesday from three to six hours, and Fridays she has no set class time but is required to go out on her own and do "case studies" amounting to about five hours. For each credit hour, she estimates two hours per credit on homework. The total hours per week add up to approximately 60 hours for 15 credits.

{Tape: 3; Side: A; Approx. Time Counter: 24. - 30.2}

{Tape: 3; Side: B; Approx. Time Counter: 2.3 - 3.4}

ADJOURNMENT

Adjournment: 10:50 A.M.

REP. DONALD L. HEDGES, Chairman

DIANA WILLIAMS, Secretary

DH/DW

EXHIBIT (jeh20aad)